

FISCAL NOTE

HB 2580 – SB 3643

February 15, 2006

SUMMARY OF BILL: Authorizes the Department of Transportation (TDOT) to pay for the removal of or any damages to private properties on state highway rights of way. Requires TDOT to use funds from the Highway Fund for paying such damages.

ESTIMATED FISCAL IMPACT:

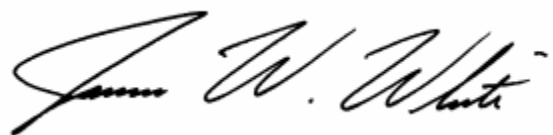
Increase State Expenditures – Exceeds \$100,000 – Highway Fund

Assumptions:

- The provisions of this act are declared to be remedial in nature and applies to all construction occurring after January 1, 1999 in counties having a metropolitan form of government.
- According to TDOT, this bill would subject the department to increased liability and expenditure for removing illegal devices and non-conforming signs from state highway rights of way.
- According to TDOT, there are approximately 1,514 illegal devices and/or non-conforming signs (1,330 devices and 184 signs) removed from state highway rights of way each year.
- Under current law, the property owner is liable for any cost of removal.
- If TDOT had to pay for 3% of these, there would be approximately 45 occurrences where TDOT would bear the costs of removal (1,514 total occurrences X 3% = 45.4).
- Average cost per removal of \$2,250.
- The increase of state expenditures is estimated to exceed \$100,000 (45 occurrences X \$2,250 average cost = \$101,250).

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director